RECORD AND BRIEFS

No. 15-1293

Supreme Court, U.S.
FILED
DEC 15 2015

In The

# Supreme Court of the United States

MICHELLE K. LEE, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR, UNITED STATES PATENT AND TRADEMARK OFFICE,

*Petitioner,*

v.

SIMON SHIAO TAM,

*Respondent.*

**On Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit**

## AMICUS BRIEF FOR ERIK BRUNETTI IN SUPPORT OF RESPONDENT

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## INTEREST OF AMICUS[1]

Amicus curiae Erik Brunetti is the appellant in a case pending before the Federal Circuit presenting a nearly identical issue as in this case. *See In re Brunetti*, CAFC No. 15-1109 (Fed. Cir. Jan. 21, 2016); the government discussed *Brunetti* in footnote 6 on page 23 of Petitioner's merits brief. Brunetti's application for a federal trademark registration for FUCT was refused under Section 2(a) of the Lanham Act as "vulgar." The United States Patent & Trademark Office ("PTO") incorrectly interpreted the prohibition against "scandalous" trademarks in Section 2(a) to include "vulgar" trademarks, but that issue is not before this Court. Brunetti appealed to the Trademark Trial and Appeal Board where the refusal was upheld. *See In re Brunetti*, Serial No. 85310960, 2014 WL 3976439 (T.T.A.B. Aug. 1, 2014).

Brunetti asserts the "scandalous" prohibition in Section 2(a) is an unconstitutional infringement on free speech. Brunetti's appeal was argued before the Federal Circuit a month after *In re Tam*, 808 F.3d 1321 (Fed. Cir. 2015), to a panel consisting of Judge Moore (author of the majority *en banc* opinion in *Tam*), Judge Dyk (author of a concurring and dissenting opinion in

[1] The parties in this case have consented to the filing of this brief. Copies of the blanket consent letters of the parties are on file with this Court. This brief was not authored in whole or in part by counsel for any party. No one other than the amicus curiae or its counsel made a monetary contribution to preparing or submitting this brief.

*Tam*) and Judge Stoll. It appears that the Federal Circuit is waiting for this Court's decision in *Tam* before deciding *Brunetti*. While it is possible that one of the Section 2(a) "disparaging" (in *Tam*) and "scandalous" (in *Brunetti*) prohibitions could survive while the other is unconstitutional, the issues are closely related. Accordingly, Brunetti is addressing some key matters that were not adequately briefed by the parties or other amici.

## SUMMARY OF ARGUMENT

If it would be unconstitutional to deny copyright registration based upon content, then it would be unconstitutional to deny trademark registration based upon the content of the mark.

Although Respondent argues that denial of federal trademark registration is significant, it overlooks some very important consequences of that denial. There is a reason why virtually all successful trademarks are registered: the denial of registration makes it extremely difficult to use and protect that trademark.

The broader implications of holding Section 2(a) constitutional have not been adequately addressed. If Section 2(a) is constitutional, then any government (local, state or federal) could constitutionally prohibit the advertising, licensing or sale of any product or service that such government deems offensive. Any government could deny permits or licenses which prevent a

disfavored viewpoint from being effectively disseminated. Section 2(a) gives the majority, or a substantial composite of the disparaged group, a veto over what marks are used, even if the trademark owner seeks to raise social or political issues.

## ARGUMENT

Section 2(a)'s provision, allowing the government to refuse trademark registration because a mark is unpopular is an invalid infringement of the First Amendment's guarantee of the right to free speech. So the prohibition against registering disparaging or scandalous marks should be held invalid.

### I. SECTION 2(A) IS UNCONSTITUTIONAL AS TO TRADEMARKS BECAUSE IT WOULD BE UNCONSTITUTIONAL TO DENY COPYRIGHT REGISTRATION BASED UPON CONTENT

An analogy to copyright shows why Section 2(a) is unconstitutional as to trademarks. During the Federal Circuit oral argument in *Tam*, it seemed assumed that it would be unconstitutional for the government to deny copyright registration based upon content. Amicus agrees. In fact, the Copyright Office grants registrations for pornography, hate speech and nearly every other type of speech. Unless trademarks differ from copyrights in some relevant way, then Section 2(a) is likewise unconstitutional.

The distinction offered by the government is that trademarks are commercial speech. Both copyright and trademark protect the commercial rights of the owner, including controlling the use of the work or mark, or to obtain compensation for unauthorized use. Both copyright and trademark range from the purely commercial to core political speech. Copyright protects everything from the most "core" speech such as political and social discourse, to the most mundane commercial products (the "0s" and "1s" of software). Likewise, trademarks can range from the purely commercial to core political speech, such as STOP THE ISLAMIZATION OF AMERICA. The government is under the misapprehension that trademarks only identify commercial sources and are commercial speech. *See* Petitioner's brief, at page 48. However, trademarks often identify social, charitable, political or other non-commercial organizations. And trademarks often have a significant communicative function about the trademark owner's opinions and goals. In the case of this Amicus, Brunetti's trademark is FUCT and it was refused by the PTO as vulgar. However, to the extent it has a meaning, it is FRIENDS U CAN'T TRUST. The T.T.A.B. decision affirming the refusal to register was explicitly based upon Brunetti's alleged "assaults on American culture[,] critique capitalism, government, religion and pop culture." *In re Brunetti*, Serial No. 85310960, 2014 WL 3976439 (T.T.A.B. Aug. 1, 2014), at page 3. In other words, the T.T.A.B. refused to register his trademark *because of Brunetti's core political speech*.

Is there some other difference between the copyright and the trademark statutes that would allow one to be constitutional and the other not? In short, no. Both are recording systems; once the applicant complies with all requirements the registration ensues. The government makes no substantive evaluation of the copyrighted work or the trademark. The government does not approve or edit the work or the mark. For both copyright and trademark, it is not practical to enforce the owner's rights without registration. The First Amendment would not permit the government to refuse copyright registration due to content; ergo, it is not constitutional for the government to refuse registration of a trademark based upon its content.

## II. DENIAL OF TRADEMARK REGISTRATION MAKES USE IMPRACTICAL

The government asserts it is not prohibiting speech because it is possible to use a trademark even if not registered. However, the adverse consequences of denial of federal trademark registration are so severe that use of such trademarks is impractical. Respondent's Brief notes at page 19 some of the consequences suffered by a person who is unable to obtain a federal registration. Those consequences are significant enough. Without a federal registration, the trademark owner is denied the *prima facie* evidence of ownership of the trademark and her exclusive right to use the mark. 15 U.S.C. §§1057(b), 1115(a). So, she has to prove ownership and secondary meaning in every case. Without a federal registration, there is no constructive

nationwide use, so the trademark user is always at risk of some third party commencing use of the mark in some other part of the nation. *Id.* §1072. Without a federal registration, the trademark owner cannot use the "intent-to-use" provisions that make the application date the constructive first use date. The constructive use date allows the owner to get its application approved prior to the product launch. It also prevents third parties from hearing of the trademark and appropriate the mark by rushing to market first. These are sufficient to show that the government is placing an unwarranted burden on disfavored speech.

Not mentioned in Respondent's Brief are other significant adverse consequences. Without a federal registration, a trademark owner cannot record a security interest with the PTO, making it difficult to obtain financing. *Id.* §1060(a)(4). Without a federal registration, it is difficult to sell a brand because the owner does not have any concrete evidence of ownership to show prospective purchasers. Without a federal trademark registration, a trademark owner based in the United States cannot take advantage of the Madrid Protocol, a treaty allowing nationals of the United States to obtain trademark protection in other countries using the World Intellectual Property Organization. *Id.* §1141(a). The Madrid Protocol cuts the cost of foreign trademark filings by about half. Federal subject matter jurisdiction is assured with a federal registration. 15 U.S.C. §1121(a) and 28 U.S.C. §1331. Local governments are prohibited from requiring alteration of registered marks. 15 U.S.C. §1121(b). Non-governmental agencies, such as Internet auction websites and the

Internet domain name pre-registration service (www.trademark-clearinghouse.com) require proof of ownership of a trademark before cancelling the auctions for counterfeit merchandise, or to block others from using the trademark as a domain name. Usually that proof is a federal trademark registration.

The package of rights that go with federal registration are so significant that the denial of federal registration is the practical equivalent of prohibition of use. There is a reason almost every famous trademark is registered, and why unregistered trademarks are rarely successful. It is not practical to build a successful brand without federal registration. In short, if the government can withhold trademark registration, the brand is only allowed to speak in a remote part of Hyde Park, but not at Speakers' Corner where the audience is.

## III. BEFORE HOLDING SECTION 2(A) CONSTITUTIONAL THE COURT SHOULD CONSIDER BROADER IMPLICATIONS BEYOND TRADEMARKS

This Court should consider the astounding implications of holding Section 2(a) constitutional. The implications go far beyond whether a federal trademark registration is issued.

### A. If Section 2(a) Is Constitutional It Opens The Door To Widespread Governmental Discrimination Against Unpopular Messages

Although this case only involves the question of whether Section 2(a) allows refusal or cancellation of trademarks with unpopular meanings, the Court will establish a precedent that will apply by analogy to other licensing areas. In the past, governments have tried to deny benefits or licenses because a trademark is unpopular.

If Section 2(a) is constitutional, then it follows that Congress could amend the Copyright Act to deny copyright registration to disparaging works. Congress could also prohibit transportation in commerce of goods and services bearing trademarks that have been refused. The federal government could refuse broadcast licenses for TV or radio stations if the corporate name is disparaging. Any level of government could deny licenses based upon the government's dislike of the applicant's trademark. In *Bad Frog Brewery v. New York State Liquor Authority*, 134 F.3d 87 (2d Cir. 1998), New York refused permission for a beer company to use a picture of a frog. The Second Circuit held that the prohibition of use of the beer company's label violated the First Amendment. In *Kalman v. Cortes*, 723 F. Supp. 766 (E.D. Pa. 2010), Pennsylvania refused to register I Choose Hell Productions LLC as an entity name, due to a state statute that barred corporate names containing "[w]ords that constitute blasphemy, profane, cursing or swearing or that profane the Lord's

name." The district court held the statute unconstitutional. But, if Section 2(a) is constitutional, states could refuse corporate names because they are perceived as disparaging or scandalous. This means states could make it impossible for unpopular political, social and religious groups to register their names.

If Section 2(a) is constitutional, states and cities could refuse sales tax permits, business licenses or even occupancy permits based upon the name of the applicant. This is not mere conjecture: a city refused permits for a Sambo's restaurant because its trademark logo was deemed offensive to African-Americans. *Sambo's Restaurants, Inc. v. City of Ann Arbor*, 663 F.2d 686 (6th Cir. 1981). Such refusal was held unconstitutional. But if Section 2(a) is constitutional, such decisions by local governments would be lawful. Local governments, depending on whether liberal or conservative, could deny organizations (whether it be the NRA or Planned Parenthood, or some smaller organization with an edgier name, for example Black Lives Matter) licenses (including building permits, sales tax authorizations, business licenses or occupancy permits), thus effectively preventing them from functioning in such localities. Certainly, it would follow that the District of Columbia could prohibit the sale of "Redskins" merchandise. If Section 2(a) is constitutional, there would seem to be no reason why a city could not entirely prohibit the sale of such products anywhere in its jurisdiction.

The logical consequences of a finding that Section 2(a) is constitutional illustrate why Section 2(a) is an unconstitutional burden on speech.

### B. Section 2(a) Undermines One Of The Purposes Of The Lanham Act: The Protection Of The Interests Of Trademark Owners

The trademark registration system was designed to protect the public from confusion. It was also intended to protect the trademark owner's investment. As mentioned above, without federal registration, a trademark owner's ability to protect its mark is severely limited. However, there is a more significant problem. Acceptable names for ethnic groups or their members change over time. "Eskimo" is now considered "offensive" (see Google definition) or "derogatory" (per Urbandictionary.com). That means the beloved snack ESKIMO PIE could not be registered now (which would be needed if the registration should accidentally lapse, if registration is needed in different form or for other types of goods). What about the hundreds of registrations for INDIAN or depicting Native Americans (on motorcycles, clothing and smoking products)? http://time.com/2894357/redskins-trademark-indian-interactive/. It is possible that many could be cancelled. The culturally acceptable terms for African-Americans have evolved from Colored, Negro, Black, to African-American. NAACP cannot obtain any new registrations because "[i]n the 21st century, 'colored' is generally regarded as an offensive term." https://en.wikipedia.

org/wiki/Colored. Negro is "dated, offensive" according to the Google definition, so that would mean that United Negro College Fund cannot now register its name.

The Lanham Act provides that, after five years, a registration may become "incontestable" under Section 15. 15 U.S.C. §1065. However, Section 15 excludes from its protection challenges under Section 2(a). So, no mark, no matter how old or how long it has been used, is safe from a Section 2(a) challenge. Nor does equity provide any protection for established rights. Laches does not start until the person seeking cancellation has standing to sue, *i.e.*, becomes eighteen years old. *Pro-Football, Inc. v. Harjo*, 415 F.3d 44 (D.C. Cir. 2005). So, any group, by selecting a young person who has just turned eighteen as the petitioner, could file a cancellation action and that claim would be timely.

Does it make sense to have established brands and institutions be subject to attack after decades of unobjected usage? Does not the First Amendment give people and organizations the right to call themselves whatever they want, even if some people might be offended? Section 2(a) should be invalidated.

### C. Holding Section 2(a) Constitutional Would Put The Government In An Impossible Quagmire Of Selecting Among Competing Viewpoints

The saying is, "be careful what you wish for, because you may get it." The government cannot seriously want

to be selecting among competing political, social, religious, ethnic and other groups and viewpoints. Yet, if the PTO is serious about prohibiting registration of marks that offend people (because disparaging, scandalous, immoral or vulgar), then that would become its impossible task. That it is impossible can be shown by actual decisions of examining attorneys. The trademark MILF has been approved 23 times, but refused 20 times. Marks including each of the following have been both approved and refused: ANAL, ASS, BITCH, COCK, POTHEAD, SHIT, SLUT, WHORE. Words are sometimes approved by the PTO and sometimes refused: DAGO, HEEB, INJUN and SQUAW. CUM TOGETHER has been both approved and refused. DYKES ON BIKES and DYKE NIGHT have been approved, while 2 DYKES MINIMUM was refused.

Misspellings are disregarded in determining what trademarks mean. *In re Lamson Oil Co.*, 6 USPQ2d 1041 (T.T.A.B. 1987) (finding TRUCOOL and TURCOOL confusingly similar in appearance). So how is it that FCUK is registrable but FUCT is not? A man can wear a jacket into a courthouse that says "Fuck the Draft" (*Cohen v. California*, 403 U.S. 15 (1971)), but he cannot register such term as a trademark for his organization if Section 2(a) is constitutional.

In evaluating trademarks, the PTO considers the mark's meaning. No one mistakes what WTF, PHUC and F*WORD refer to, so why are they registered when other marks including "fuck" are not. KKK, N*WORD and SLAVE are all registered. HOMOPHOBIA with X

is registered while I'M COMFORTABLE WITH MY HOMOPHOBIA was refused. THE DEVIL IS A DEMOCRAT was approved while HAVE YOU HEARD SATAN IS A REPUBLICAN was refused. REDMAN, INDIAN, ESKIMO, CRACKER, RUSTLER, HONKY, WHITEY and WASP have all been approved, while there is little doubt that at least a portion of the referenced groups in question (Native Americans, Southern whites, Anglo-Saxon Protestants, etc.) would consider these terms disparaging.

In the context of religion, the PTO's problems get even more complicated because free exercise and nonentanglement are involved. The majority of Christians would find devil worship to be offensive, but what about the rights of Wiccans? DEVIL and WICCAN have been approved. Junipero Serra was recently made a saint by the Catholic Church. But Native Americans assert that Serra committed cultural genocide. The Virgin Mary and saints in general are seen differently by Catholics and some Protestants. So, does the PTO take sides when it is asked to register MADONNA, LA VIRGEN DE GUADALUPE, or other saints' names? What about break-away denominations? Does the PTO take sides just because a majority is offended by a smaller group's use of a name, e.g., OLD CATHOLIC CHURCH IN THE UNITED STATES? Should churches have the ability to register their names as trademarks subject to the will of a group or a majority?

In the context of social and political discourse, it is unlikely that there will be a consensus about abortion,

gun control, immigration or other political issues. Yet, pro and con groups may wish to register their names and slogans, which *ipso facto* will be offensive to those with contrary views. How does the PTO decide whose side to take?

To date, the PTO has not done a consistent job of refusing trademarks that are allegedly offensive. Even if the government could by some miracle start being consistent, and even if acceptable terms never changed, the government would still have to take sides in contentious disputes about what is acceptable politically or socially. If Section 2(a) is constitutional, the government will have to decide who is "right" in religious, social or political disputes. That is *not* what the government should be doing. The government should process applications and let the free marketplace of ideas decide which brands will succeed or fail.

### D. The First Amendment Protects The Unpopular

Section 2(a) allows a part of society to import their opinions on others. This is the tyranny of the majority, or in the case of disparagement, the tyranny of a portion of a minority group. "If there is a bedrock principle underlying the First Amendment, it is that the government may not prohibit the expression of an idea simply because society finds the idea itself offensive or disagreeable." *Texas v. Johnson*, 491 U.S. 397, 414 (1989). A free marketplace of goods and services and a

free marketplace of ideas are intertwined. The government should not put the brakes on those whose ideas differ or are unpopular.

## CONCLUSION

This Court should affirm the judgment of the *en banc* decision of the Federal Circuit.

Respectfully submitted,

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